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I N D E X

	Re-	Re-	By
<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	<u>Examiner</u>

None.

E X H I B I T S

<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
Company Exhibit		
Nos. 1 - 7 inclusive		25
Staff Exhibit		
Nos. 1 - 9 inclusive		29

1 JUDGE DOLAN: By the direction and authority of  
2 the Illinois Commerce Commission, I call Docket  
3 No. 07-0620, 07-0621 and 08-0067, consolidated,  
4 Aqua, Illinois, Incorporated, a proposed general  
5 increase in the water rates for its Hawthorn Woods  
6 service area, proposed general increase in the  
7 water rates for its Willowbrook service area and  
8 proposed general increase in water rates for its  
9 Vermilion service area to order.

10 Would the parties please identify  
11 themselves for the record.

12 MR. CASEY: Your Honor, on behalf of the  
13 Company, Phillip A. Casey, Sonnenschein, Nath and  
14 Rosenthal, 233 South Wacker Drive, Suite 7800,  
15 Chicago, Illinois 60606.

16 MR. LANNON: And appearing on behalf of the  
17 Illinois Commerce Commission, Mike Lannon, Jennifer  
18 Lin, Jim Olivero, 160 North LaSalle, Suite C-800,  
19 Chicago, Illinois 60601.

20 JUDGE DOLAN: All right.

21 Let the record reflect there are no  
22 other appearances for the record.

1           A conversation took place off the record  
2   concerning this matter and I have been advised by  
3   both parties that all cross-examination of the  
4   various witnesses have been waived by all parties;  
5   is that correct?

6       MR. LANNON:   Yes, your Honor.   That's correct.

7       MR. CASEY:    Your Honor, that's correct.

8       JUDGE DOLAN:   All right.

9           Then at this time, we will just be  
10   introducing all the exhibits into the record.   And  
11   at the end of it, I will mark this matter heard and  
12   taken.

13           So you ready to proceed, Mr. Casey?

14       MR. CASEY:    I am, your Honor.

15           First, to begin with, Hawthorn Woods --  
16   and division with Docket 07-0620,  
17   there -- the Company submitted the direct testimony  
18   of Todd McCleary, which would be identified as  
19   Exhibit 1.0, corrected.   It was filed on  
20   April 18th, 2008.   And that testimony has been  
21   adopted by Mr. Rakocy.

22           Exhibit 2.0, the direct testimony of

1 Paul Hanley, filed on November 16th, 2007.

2 Exhibit No. 3, the direct testimony of

3 Harold Walker filed on November 16th, 2007.

4 Exhibit No. 4, the direct testimony of

5 David R. Monie, M-o-n-i-e, filed on November 16th,

6 2007.

7 Exhibit No. 5, the direct testimony of

8 John Guastella filed on November 16th, 2007.

9 With respect to Hawthorn Woods sewer

10 division, the Exhibit No. 1, corrected, the direct

11 testimony of Todd McCleary filed on April 18th,

12 2008 and adopted by Mr. Rakocy.

13 Exhibit 2.0, the direct testimony of

14 Paul Hanley, filed on November 16th, 2007.

15 The direct testimony of Harold Walker --

16 excuse me, Exhibit No. 3, the direct testimony of

17 Harold Walker, filed on November 16th, 2007.

18 Exhibit No. 4, the direct testimony of

19 David R. Monie filed on November 16th, 2007.

20 And then Exhibit No. 5, corrected, the

21 direct testimony of John Guastella, spelled

22 G-u-a-s-t-e-l-l-a, filed on April 18th, 2008.

1                   And for Docket 07-0261, the Willowbrook  
2 water division, Exhibit No. 1, the direct testimony  
3 of Gerald P. Connelly filed November 16th, 2007 and  
4 adopted by Mr. Rakocy.

5                   Exhibit 2.0, the direct testimony of  
6 Paul Hanley, also filed on November 16th, 2007.

7                   Exhibit 3.0, the direct testimony of  
8 Harold Walker, filed on November 16th, 2007.

9                   The direct testimony of David R. Monie  
10 filed on November 16th, 2007.

11                  And Exhibit 5.0, direct testimony of  
12 John Guastella filed November 16th, 2007.

13                  With respect to the Willowbrook sewer  
14 division are the Exhibit 1.0, the direct testimony  
15 of Gerald P. Connelly filed November 16th, 2007 and  
16 adopted by Mr. Rakocy.

17                  Exhibit 2.0, the direct testimony of  
18 Paul Hanley filed on November 16th, 2007.

19                  Exhibit 3.0, direct testimony of Harold Walker  
20 filed November 16th, 2007.

21                  4.0, the direct testimony of David R.  
22 Monie filed on November 16th, 2007.

1                   Exhibit 6.0 corrected filed on April 18,  
2 2008.

3                   That concludes the smaller divisions.  
4 Now, onto Vermilion -- the Vermillion division  
5 08-0067.

6                   Exhibit 1.0, corrected, the direct  
7 testimony of Thomas Bruns filed on April 18th,  
8 2008.

9                   Exhibit 2.0, the direct testimony of  
10 Paul Hanley, filed on January 2nd, 2008.

11                   Exhibit 3.0, the direct testimony of  
12 Harold Walker, filed on January 2nd, 2008.

13                   Exhibit 4.0, directed, the direct  
14 testimony of David R. Monie filed on July 18th,  
15 2008.

16                   Exhibit 5.0 corrected, the direct  
17 testimony of John Guastella filed on April 18th,  
18 2008.

19                   Exhibit 6.0, the rebuttal testimony of  
20 Terry J. Rakocy filed on July 2nd, 2008 -- excuse  
21 me. The rebuttal and surrebuttal testimony has  
22 been identified as a consolidated response.

1                   Next is Exhibit 7.0, the rebuttal  
2 testimony of David R. Monie filed July 2nd, 2008.

3                   And then Exhibit 8.0, surrebuttal  
4 testimony of David R. Monie filed on July 17th,  
5 2008.

6                   For those testimonies, affidavits were  
7 filed on eDocket or filed with eDocket on  
8 July 22nd, 2008. Those affidavits are the  
9 affidavits of Thomas Bruns, John Guastella, Paul  
10 Hanley, David Monie, Terry Rakocy, Harold Walker,  
11 and were given an eDocket tracking number of 94416.

12                  At this time, your Honor, the Company  
13 would ask for the admission of those identified  
14 exhibits.

15         JUDGE DOLAN: Is there any objection?

16         MR. LANNON: No objection, your Honor.

17         JUDGE DOLAN: All right.

18                  Then all of the documents read off in  
19 that will be admitted into the record.

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1                   (Whereupon, all above-referenced  
2                   Company Exhibit Numbers were  
3                   admitted into evidence as  
4                   of this date.)

5       MR. CASEY:   You're not going to repeat those,  
6   Judge?

7       JUDGE DOLAN:  No, sir, unless you truly want me  
8   to.

9       MR. CASEY:   No, no.

10      JUDGE DOLAN:  The court reporter would probably  
11   like it because it'd add the pages, but, no.

12                   All right.

13                   Then all of those documents will be  
14   admitted into the record.

15                   Is there anything else to come before  
16   our - or from Aqua?

17      MR. CASEY:   Not on behalf of the Company for  
18   submission, your Honor.

19      JUDGE DOLAN:  Okay.  Staff?

20      MR. LANNON:   Thank you, your Honor.

21                   Staff would move for the admittance into  
22   the record of all of its Staff witness' prefiled

1 testimony prefiled on eDocket beginning with Staff  
2 Exhibit 1.0 is the prefiled direct testimony of  
3 staff witness Bonita Pearce, P-e-a-r-c-e,  
4 consisting of a cover page, table of contents, 25  
5 pages of narrative testimony, Schedules 1.08HW  
6 through 1.12 VW and Attachments A and B.

7               ICC Staff Exhibit was filed as a  
8 confidential and a public document. And on  
9 May 9th, 2008, the Staff Witness Pearce prefiled  
10 with the clerk of the Commission an errata  
11 containing Schedules 1.01HW through 1.07VW.

12               On July 22nd, Ms. Pearce filed an  
13 affidavit in support of her testimony on eDocket.

14               On May 8th, 2008, Diana -- Staff Witness  
15 Dianna Hathhorn prefiled with the clerk of the  
16 Commission ICC Staff Exhibit 2.0, the direct  
17 testimony of Ms. Hathhorn consisting of a cover  
18 page, a table of contents and nine pages of  
19 questions and answers; Schedule 2.01VW, through  
20 2.03VW and Attachments A and B.

21               And also on July 22nd, Ms. Hathhorn  
22 filed an affidavit in support of her prefiled

1 testimony.

2                   Staff Exhibit 3.0 is the prefiled direct  
3 testimony of Staff Witness Michael McNally,  
4 M-c-N-a-l-l-y. It consists of a cover page, table  
5 of contents, 58 pages of questions and answers,  
6 Schedules 3.01HW through 3.13. And Mr. McNally  
7 also filed an affidavit on July 22nd in support of  
8 his prefiled testimony.

9                   Staff Exhibit 4.0 is the direct  
10 testimony of William R. Johnson consisting of a  
11 cover page, table of contents, 38 pages of  
12 narrative testimony, Appendix A and Schedules  
13 4.01VW and Schedule 4.02VW. On June 27th, 2008,  
14 Staff Witness Johnson prefiled with the clerk of  
15 the Commission Staff Exhibit 4.0S, supplemental  
16 direct testimony, consisting of a cover page, table  
17 of contents and five pages of narrative testimony.

18                   On July 16th, 2008, Mr. Johnson caused  
19 to be prefiled with the clerk of the Commission  
20 Staff Exhibit 8.0R, his revised rebuttal testimony  
21 consisting of a cover page, table of contents, four  
22 pages of narrative testimony, Schedule 8.01 through

1 8.02. And also on July 22nd, Mr. Johnson filed an  
2 affidavit in support of his prefiled testimony.

3 Staff Exhibit 5.0 filed on May 8th is  
4 the direct testimony of Staff Witness Sherry Harden  
5 consisting of 16 pages of question and answers and  
6 Attachments A through C. On July 14th, Ms. Harden  
7 filed Staff Exhibit 9.0, her rebuttal testimony,  
8 consisting of six pages of questions and answers  
9 and schedules 9.01HW through 9.02WW.

10 And also on July 22nd, Ms. Harden filed  
11 an affidavit in support of her prefiled testimony.

12 On May 8th, Staff Witness Jonathan  
13 Sperry prefiled ICC Staff Exhibit 6.0, Mr. Sperry's  
14 direct testimony, consisting of a cover page, four  
15 pages of questions and answers and Schedules 6.01WS  
16 and 6.01WW.

17 On July 22nd, Mr. Sperry also filed an  
18 affidavit in support of his prefiled testimony.

19 On May 8th, Staff Witness William Atwood  
20 prefiled Staff Exhibit 7.0, his direct testimony  
21 consisting of six pages of questions and answers  
22 and Schedule 7.01VW.

1                   On July 22nd, Mr. Atwood also filed an  
2 affidavit in support of his prefiled testimony.

3       JUDGE DOLAN: Well, you know what, why don't we  
4 do all the testimony and then we'll do the  
5 affidavit as the last exhibit. How's that sound?

6       MR. LANNON: Is that the stip?

7       JUDGE DOLAN: Yeah, he stipulates with that.

8                   All right. Is there any objection to  
9 the staff exhibits that were just admitted -- or  
10 that were just presented for admission into the  
11 record?

12       MR. CASEY: No objection.

13       JUDGE DOLAN: All right. Then all of the staff  
14 exhibits that were just read will be admitted into  
15 the record.

16                               (Whereupon, Staff  
17                               Exhibit Nos. 1 through 9  
18                               inclusive were  
19                               admitted into evidence as  
20                               of this date.)

21       JUDGE DOLAN: Is there any other documents,  
22 Mr. Lannon?

1 MR. LANNON: Yes, your Honor.

2 The Company and Staff have entered into  
3 a stipulation entitled Stipulation Concerning  
4 Resolution of Certain Issues in Consolidated  
5 Dockets 07-0620, 07-0621 and 08-0067. This  
6 stipulation was filed on eDocket on July 15th,  
7 2008. Tracking number, 94161.

8 And the stipulation has Appendixes A, B  
9 and C.

10 JUDGE DOLAN: Then, obviously, since it's a  
11 stipulation, I assume there's no objection,  
12 Mr. Casey?

13 MR. CASEY: No. It was a joint stipulation,  
14 your Honor.

15 JUDGE DOLAN: Okay. All right.

16 Then the stipulation concerning  
17 resolution of certain issues in consolidated  
18 Dockets 07-0620, 07-0621 and 08-0067 will be  
19 admitted into the record.

20 MR. LANNON: Your Honor, the stipulation  
21 resolves most issues in this case, and Staff would  
22 like to thank the Company for their good-faith

1 negotiations and the effort put into it.

2                   However, there is one remaining issue  
3 that has not been resolved and will be briefed by  
4 the parties.

5       JUDGE DOLAN:   Okay.   And that's the rate  
6 concerning the customers who use less than a  
7 thousand gallons of water?

8       MR. LANNON:   That's correct, your Honor.

9       JUDGE DOLAN:   In any billing period?

10      MR. LANNON:   That's correct.

11      JUDGE DOLAN:   Okay.   Then with that, I believe  
12 the parties have agreed that a joint draft order  
13 will be filed on or about July 31st.

14      MS. LIN:   That's correct.

15      JUDGE DOLAN:   And then your initial briefs will  
16 be filed on August 13th.

17                   Reply briefs on August 20th; is that  
18 correct?

19      MR. LANNON:   That's correct, your Honor.

20      MR. CASEY:   That's correct, your Honor.

21                   Staff had indicated on the record  
22 earlier would like to receive about five business

1 days to review the draft that the Company will  
2 propose to them.

3 As far as -- as far as a hard and fast  
4 deadline of those -- the briefing periods are --  
5 are something that are firm, but we want to make  
6 sure that Staff has at least five days to review  
7 the proposed order for the resolution of the  
8 Vermilion water division for the resolution of the  
9 Hawthorn Woods water division and for the  
10 resolution of the Willowbrook water division.

11 That leaves for briefing the Hawthorn  
12 sewer division and Willowbrook sewer division.

13 JUDGE DOLAN: All right.

14 That'll be not noted for the record  
15 then.

16 Then with that, is there anything else  
17 to come before the Commission today?

18 MR. LANNON: Nothing from Staff, your Honor.

19 MR. CASEY: Nothing from the Company, your  
20 Honor.

21 JUDGE DOLAN: All right.

22 Then I will mark this matter heard and



1 taken.

2 MR. LANNON: Thank you, your Honor.

3 JUDGE DOLAN: All right.

4 Thank you all.

5 MR. CASEY: Thanks much.

6 HEARD AND TAKEN. . .

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